

Staff X-Exhibit
Schonrade #1

Docket Nos. 00-0233 & 00-0335 (Consolidated)
ICC Staff Exhibit 16.0R, Schedule 16.13R

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Odin Telephone Exchange, Inc.
Illinois Universal Service Funding Calculation
Staff Calculated Funding Requirement

00-0233/0335

Line # (a)	Description (b)	Adjusted Amount (c)	Adjustment (d)	Adjusted Amount (e)	
1	Net Regulated Plant	\$ 1,421,077		\$ 1,421,077	
2	Materials and Supplies Inventory	11,089		11,089	
3	Customer Deposits	10,700	-	10,700	
4	ADIT - Regulated Plant	181,343	-	181,343	
5	Rate Base before Working Capital	1,240,123	-	1,240,123	line 1 + line 2 - line 3 - line 4
6	Working Capital Requirement				
7	Total Operating Expenses	1,487,787		1,487,787	
8	Less: Depreciation Expense	191,949		191,949	
9	Total WC Operating Expense	1,295,838	-	1,295,838	line 7 - line 8
10	WC OE Requirement	161,980	-	161,980	line 9 * 45 / 360
11	Commission-Ordered Cash Balance Require	-	-	-	
12	Total Working Capital Requirement	161,980	-	161,980	line 10 + line 11
13	Total Rate Base	1,402,103	-	1,402,103	line 5 + line 12
14	Total Operating Revenues	2,051,091	-	2,051,091	
15	Less: Illinois High Cost Fund	350,985	-	350,985	
16	Net Operating Revenues	1,700,106	-	1,700,106	line 14 - line 15
17	Total Operating Expenses	1,487,787		1,487,787	
18	Other Operating Inc and Exp - Net	-	-	-	
19	Other Operating Taxes	6,848	-	6,848	
20	Net Op Inc before Income Taxes	205,471	-	205,471	line 16 - lines 17, 18, & 19
21	Income Tax Expense	79,597	-	79,597	line 34
22	Net Operating Income	125,874	-	125,874	line 20 - line 21
23	Return on Rate Base	8.98%		8.98%	line 22 / line 13
24	After-tax Cost of Capital	11.21%	11.21%	11.21%	
25	Target Net Operating Income	157,176	-	157,176	line 24 * line 13
26	Adj to Achieve Target Return on RB	31,302	-	31,302	line 25 - line 22
27	Gross Revenue Conversion Factor	1.6324	1.6324	1.6324	line 35
28	Staff ROR Deficiency	51,097	-	51,097	line 26 * line 27
29	Calculation of Income Tax Expense				
30	Net Op Inc before Inc Taxes	205,471	-	205,471	line 20
31	Illinois Inc & Rep Tax Expense	14,753	-	14,753	line 30 * 7.18%
32	Net Op Inc before Fed Inc Tax	190,718	-	190,718	line 30 - line 31
33	Federal Income Tax Expense	64,844	-	64,844	line 32 * 34.00%
34	Total Imputed Income Tax Expense	79,597	-	79,597	line 31 + line 33
35	Gross Revenue Conversion Factor	1.6324	1.6324	1.6324	1 / ((1 - .0718) * (1 - .34))

REVISED JUNE 21, 2001

Odin Telephone Exchange, Inc.
Illinois Universal Service Funding Calculation
Staff Calculated Funding Requirement

<u>Line #</u>	<u>Description</u>	
(a)	(b)	(c)
	Funding Difference-HCF Support	
1	2001 Annualized HCF Support	\$ 339,246
2	2000 Total HCF Support	<u>383,418</u>
3	Funding Difference	<u>(44,172)</u>
4	Reverse Company Adjustment	<u>44,172</u>
5	Adjustment	<u>\$ -</u>

Source: IITA Exhibit 4.0, Attachment 6, page 2 of 4

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